



Appropriations Committee

Public Hearing

Thursday, February 23, 2022

HB 5037- AA Adjusting the State Budget for the Biennium Ending June 20th, 2023

My name is Jim Williams, and I am the Government Relations Director for the American Heart Association in CT. The American Heart Association (AHA) is the nation's oldest and largest voluntary organization dedicated to fighting heart disease and stroke. Our mission is to be a relentless force for a world of longer, healthier lives, and we take our mission very seriously here in CT. I would like to thank the leadership and members of the Appropriations Committee for providing me with the opportunity to provide comment on this bill, and in so doing, to hopefully highlight one major area in which it is found to be lacking. To do so, I would like to first share a quote from our former CT Attorney General, now our senior US Senator, Richard Blumenthal:

"CT's handling of tobacco revenue has been a moral and social failure."

According to the CDC, cigarette smoking remains the leading cause of preventable death in the US. To be clear, **Connecticut has not dedicated state funds to our state tobacco prevention and cessation programs since Fiscal Year 2015**. The 2018 budget completely eliminated the language that transferred money to the Tobacco and Health Trust Fund, which was the sole source of state tobacco prevention funding. While we are pleased that this budget includes \$1M dedicated to tobacco prevention, it is as far as we can tell a one-time allocation.

The CDC recommends that CT spend \$32M annually on tobacco control. Another bill currently before this committee, **HB5078 AAC Funding For Tobacco Control, Prevention and Cessation Programs and Services**, calls for \$12M in annual funding. We call on the Governor and legislature to **at least** begin re-funding this important program with a minimal annual investment of \$12M by supporting this bill. CT has not funded tobacco control since 2015., and yet it receives an estimated \$471.3M in annual tobacco revenue and an additional +\$120M annually from the 1998 tobacco Master Settlement Agreement.¹

Some History

In 1998, the four largest U.S. tobacco companies and the AGs of 46 states signed the "Tobacco Master Settlement Agreement" (MSA), settling the states' Medicaid lawsuits against the tobacco industry for recovery of their tobacco-related health care costs. Under the agreement states received up-front payments of \$12.74B with the promise of an additional \$206B over the next 25 years. Payments continue and are made annually to states, including CT, in perpetuity.

What was intended to happen is that states would use MSA and/or tobacco tax revenue to fully fund tobacco control programs that follow CDC best practices. That funding should go towards such things as community and statewide programs to reduce tobacco use, cessation programs, counter marketing efforts, including paid broadcast and print media, media advocacy, public relations, public education, and health promotion activities, surveillance and evaluation, and administration and management.

Unfortunately, CT has failed miserably to do so. Revenue from the MSA and tobacco taxes continues to flow toward other parts of the state budget even though state tobacco control program expenditures have been shown to be independently associated with overall reductions in smoking prevalence.²

State Tobacco Prevention And Cessation Programs Save Money

- States that offer comprehensive smoking cessation therapy to their employees in their public health programs or in their tobacco control programs can save \$1.10-\$1.40 in health care expenditures and productivity for every dollar spent.³
- It has been proven that Cost savings is the result from established state tobacco prevention and cessation programs. A recent American Journal of Public Health study found that for every dollar spent by Washington State's tobacco prevention and control program between 2000 and 2009, more than five dollars were saved by reducing hospitalizations for heart disease, stroke, respiratory disease and cancer caused by tobacco use.⁴
- A 2013 study published in PLOS ONE found between 1989 and 2008 CA's tobacco control program reduced health care costs by \$134B, far more than the \$2.4B spent on the program. Researchers attribute these savings to reductions in smoking rates and cigarette consumption per smoker, generating significant savings in health care expenditures.⁵
- A study of AZ's tobacco prevention program found that the cumulative effect of the program was a savings of \$2.3B between 1996 and 2004, which amounted to about ten times the cost of the program over the same period of time.⁶

The Human Toll Associated With Tobacco Use In CT

- 4,900 CT adults die each year from their own smoking. In fact, smoking kills more people than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined.⁷
- 76,000 kids now under 18 and alive in CT will ultimately die prematurely from smoking.⁷
- 440 CT adult nonsmokers die each year from exposure to secondhand smoke.⁷

The Financial Burden of Tobacco Use In CT

- \$2.03B annual health care costs in CT directly caused by smoking.⁷
- \$520.8M portion covered by the state Medicaid program.⁷
- \$920 per household for residents' state and federal tax burden from smoking-caused government expenditures.⁷

Now, especially during the current COVID-19 health pandemic, is the right time to again fund our state's tobacco prevention program. Our neighbors and loved ones deserve nothing less. Please support all efforts to do so.

Sincerely,

Jim Williams

American Heart Association
Government Relations Director- CT
James.williams@heart.org

1Campaign for Tobacco-Free Kids, Broken Promises to Our Children: a State-by-State Look. Found at <https://www.tobaccofreekids.org/what-we-do/us/statereport/connecticut> and accessed on 2/23/2022.

2Farrelly MC, et al. The impact of tobacco control programs on adult smoking. *Am J Public Health*. 2008;98(2):304-309.

3Land T, et al. A Longitudinal Study of Medicaid Coverage for Tobacco Dependence Treatments in Massachusetts and Associated Decreases in Hospitalizations for Cardiovascular Disease. *PLoS Med*. 2010; 7(12): e1000375.

4Dilley, Julia A., et al., "Program, Policy and Price Interventions for Tobacco Control: Quantifying the Return on Investment of a State Tobacco Control Program," *American Journal of Public Health*, Published online ahead of print December 15, 2011. See also, Washington State Department of Health, Tobacco Prevention and Control Program, News release, "Thousands of lives saved due to tobacco prevention and control program," November 17, 2010, http://www.doh.wa.gov/Publicat/2010_news/10-183.htm.

5Lightwood, J and Glantz SA, "The Effect of the California Tobacco Control Program on Smoking Prevalence, Cigarette Consumption, and Healthcare Costs: 1989-2008," *PLOS ONE* 8(2), February 2013.

6Lightwood, JM et al., "Effect of the Arizona Tobacco Control Program on Cigarette Consumption and Healthcare Expenditures," *Social Science and Medicine* 72(2), January 2011.

7CT Department of Public Health, accessed at <https://portal.ct.gov/DPH/Health-Education-Management--Surveillance/Tobacco/Costs--Consequences> on 2/26/2021.